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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

**In re:**

**PURDUE PHARMA L.P., et al.,  
  
Debtors.<sup>1</sup>**

**Chapter 11**

**Case No. 19-23649 (RDD)**

**(Jointly Administered)**

**DECLARATION OF JON LOWNE IN SUPPORT OF MOTION OF DEBTORS FOR  
ENTRY OF AN ORDER (I) AUTHORIZING THE ASSUMPTION OF A CERTAIN  
UNEXPIRED LEASE AND (II) FURTHER EXTENDING THE DEBTORS' DEADLINE  
TO ASSUME OR REJECT CERTAIN UNEXPIRED LEASES WITH THE PRIOR  
WRITTEN CONSENT OF THE LESSORS UNDER SUCH LEASES**

I, Jon Lowne, being fully sworn, hereby declare that the following is true to the best of my  
knowledge, information and belief:

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF LP (0495), SVC Pharma LP (5717) and SVC Pharma Inc. (4014). The Debtors' corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

1. I am a Senior Vice President and the Chief Financial Officer of Purdue Pharma L.P. (“PPLP” and, collectively with each of the other above-captioned debtors, the “**Debtors**,” the “**Company**” or “**Purdue**”). I was first employed by Purdue as Senior Internal Auditor in 1995 and gained increasing responsibility in the Company’s finance team over time, including as Controller from 2005 to July 2017, and then as Acting Chief Financial Officer from August 2017 to February 2018. Since March 2018, I have been the Chief Financial Officer of PPLP. I am familiar with the day-to-day operations, business and financial affairs of the Debtors.

2. I submit this declaration (this “**Declaration**”) in support of the *Motion of Debtors for Entry of an Order (i) Authorizing the Assumption of a Certain Unexpired Lease and (ii) Further Extending the Debtors’ Deadline to Assume or Reject Certain Unexpired Leases with the Prior Written Consent of the Lessors under Such Leases* (the “**Motion**”).<sup>2</sup> I am authorized to submit this Declaration on behalf of the Debtors.

3. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by employees working under my supervision, or my opinion based upon experience, knowledge and information concerning the operations of the Debtors. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

#### **Assumption of Avrio Lease**

4. Debtor Avrio Health L.P. (“**Avrio**”), is a wholly owned subsidiary of PPLP that engages in the marketing, sale, and distribution of over-the-counter products in the U.S. Avrio maintains offices at 65 West 36th Street, New York, N.Y. 10018. Pursuant to that certain lease

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<sup>2</sup> Capitalized term used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

agreement, dated May 28, 2019 (the “**Avrio Lease**”),<sup>3</sup> by and between 65 W 36 LLC (the “**Avrio Lessor**”) and Avrio, Avrio leases one floor of the building, comprising approximately 5,850 rentable square feet. The Debtors believe that the Avrio Lease is appropriate for the Avrio business, given the size of its employee base and the nature of its operations.

5. The Avrio Lease commenced in June 2019 and has a lease term of five years and two months. Monthly rent under the Avrio Lease averages approximately \$26,400 over its full term. Based on their books and records, the Debtors have determined that the amount necessary to cure the Avrio Lease is \$26,216.13.

6. As reported in the Debtors’ January Monthly Operating Report [Docket No. 859], as of January 31, 2020, the Debtors’ cash balance was approximately \$1.379 billion.

7. The Debtors requested an extension of the deadline to assume or reject the Avrio Lease, but the Avrio Lessor denied this request.

8. The Debtors determined that rejecting the Avrio Lease on or before the April 13, 2020 deadline to assume or reject the Avrio Lease and attempting to find replacement office space on short notice would be highly disruptive to operations and would needlessly destroy value. Based on the Debtors’ assessment of the costs and benefits of assuming compared to rejecting the Avrio Lease, the Debtors believe that assumption at this time is the only viable course of action. The Debtors therefore decided to seek to assume the Avrio Lease.

#### **Extension of Deadline For Other Leases of Nonresidential Real Property**

9. The Debtors have determined that an extension of the deadline to assume or reject the Extended Deadline Leases (as defined in the Motion) is in the best interests of the Debtors and

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<sup>3</sup> Any description of the Avrio Lease herein is qualified in its entirety by reference to the copy of the Avrio Lease attached to the Motion as Exhibit B.

their estates. Absent an extension, the Debtors may be forced to make premature and less than fully-informed decisions regarding the assumption or rejection of the Extended Deadline Leases, which may have a detrimental impact on the Debtors' estates and their business operations.

10. Each applicable lessor has consented in writing to extensions of the current deadline to assume or reject the Extended Deadline Leases, through and including the date identified for each such Extended Deadline Lease on Exhibit 1 to the Proposed Order.

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11. I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Executed: March 4, 2020

By: /s/ Jon Lowne  
Jon Lowne  
Senior Vice President and Chief  
Financial Officer